

Facts & Information

Smart Consumer Guide Fact Sheet #2

May 2002

Mover's Liability

How much protection do you need

Movers must assume some level of liability for your belongings when they move them. The amount of liability depends on the level of value protection you select. You may choose from four liability options. The greater the liability assumed by the mover, the more costly the option is for you, the customer.

In selecting a liability option, you should consider the following:

- The value of the belongings being moved;
- The susceptibility of those belongings to damage;
- The degree of risk you are willing to accept; and
- The cost of the protection.

OPTION 1 – Basic Value Protection

- **Basic Value Protection** is the minimum level of liability a mover may assume when moving your belongings. The mover's maximum liability, in the unlikely event the entire shipment is lost, is 60 cents per pound of the total shipment.
- **Coverage:** The mover will pay at 60 cents per pound, per lost or damaged article. Example: if a two-pound vase were broken, you would be paid \$1.20.
- **Cost:** You do not pay extra for this coverage.

OPTION 2 – Depreciated Value Protection

- **Depreciated Value Protection** provides full value coverage, less depreciation, up to a maximum of \$2 times the weight of the total shipment.
- **Coverage:** The mover will either repair damaged articles to your satisfaction or pay you the replacement value, less depreciation, for lost or damaged articles.
- **Cost:** The mover may charge you between 51 cents and 85 cents per \$100 of the weight value of your belongings (the total weight of your belongings multiplied by \$2).



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To request availability of
documents in alternate
format call (360)664-1133.

OPTION 3 – Replacement Cost Coverage, with deductible

- **Replacement Cost Coverage, with deductible**, provides full coverage, less a \$300 deductible. The mover's maximum liability is your declared value of the belongings, or \$3.50 times the weight of the total shipment, whichever is greater (less the \$300 deductible).
- **Coverage:** The mover will repair the damage to your satisfaction, pay you for the lost or damaged articles (less the \$300 deductible), or replace the lost or damaged article for any amount over the \$300 deductible. The \$300 deductible applies to the entire shipment rather than each individual article.
- **Cost:** The mover may charge between 44 cents and 73 cents per \$100 of declared value. Declared value may not be less than \$3.50 per pound of the total shipment weight.

OPTION 4 – Replacement Cost Coverage, with no deductible

- **Replacement Cost Coverage, with no deductible**, provides full value replacement coverage for your belongings. The mover's maximum liability is your declared value, or \$3.50 times the weight of the total shipment weight, whichever is greater.
- **Coverage:** The mover will repair damage to your satisfaction, reimburse you for the replacement cost, or replace lost or damaged articles.
- **Cost:** The mover may charge between 62 cents and \$1.03 per \$100 of your declared value. Declared value may not be less than \$3.50 per pound of the total shipment weight).

Special Notes

1. Options 3 and 4 show above do not apply to:

- Antiques, fine arts, painting, statuary, and similar articles, that by their inherent nature cannot be replaced with new articles.
- Articles whose age or history contribute substantially to their value. This includes, but is not limited to: memorabilia, souvenirs, and collector's items.

Instead, you must identify these items separately on the inventory or bill of lading, and the coverage for these items will be Option 2, the depreciated value protection.

2. Under all four options:

- If the mover decides to reimburse you for, or replace, a lost or damaged article, the lost or damaged article becomes the property of the mover.
- If one of a matched pair or set of items is lost or damaged, the mover is liable only for the individual item – not the whole set.

3. If you do not select an option, Option 2 will be applied and charged to you.

4. Rates shown are subject to change following hearing by the WUTC.

Please refer to our Internet page for up-to-date information on rates.

A more detailed version of the rules relating to mover's liability and valuation protection, is available in our Household Goods Tariff available on our website.

VALUATION PROTECTION OPTIONS

Comparing the four different levels of value protection

	Option 1 Basic Value Protection (minimum coverage)	Option 2 Depreciated Value Protection (default coverage)	Option 3 Replacement Cost Coverage with Deductible	Option 4 Replacement Cost Coverage with No Deductible
Protection	\$.60 per pound per item	Replacement cost reduced by depreciation (Limit: \$2 x total shipment weight)	Replacement cost less a \$300 deductible	Full replacement cost
Customer Cost	No charge	For each \$100 of value (Value=\$2 x weight)	For each \$100 of declared value (min. value \$3.50 x weight)	Rate per \$100 of declared value (min value \$3.50 x weight)
		Minimum \$.51 Maximum- \$.85	Minimum \$.44 Maximum \$.73	Minimum \$.62 Maximum \$1.03
Customer Deductible	None	None	\$300	None
Option Characteristics	Most economical. Often used if private insurance available or customer assumes risk.	More coverage for low cost. Often used with low value goods and by customers who do not have other coverage.	Best coverage for high-value shipment when customer agrees to assume the risk for minor loss or damage	Highest cost. Provides greatest level of coverage with no risk to customer.

EXAMPLES

The following chart shows examples of the different types of protection, the costs for each, and the coverage received by the customer..

The commission sets minimum and maximum rates – customer and carrier may negotiate any rate between the minimum and maximum. This chart compares rates in effect on the date the chart was printed. Rates are subject to change. Current rates are posted on the commission's website.

Examples	Option 1 Basic Value Protection	Option 2 Depreciated Value Protection	Option 3 Replacement Cost Coverage with Deductible	Option 4 Replacement Cost Coverage with No Deductible
Entire Shipment Lost 10,000 lb. shipment, \$50,000 replacement cost	<u>\$6,000</u> 10,000 pounds x \$.60	<u>\$20,000</u> 10,000 pounds x \$2.00	<u>\$49,700</u> Replacement cost minus deductible	<u>\$50,000</u> Full replacement cost
Single Item Lost 10-year-old lamp 10 pounds original cost \$60 replacement cost \$75	<u>\$6</u> 10 pounds x \$.60	<u>\$30</u> Replacement cost of \$75 less 60% depreciation	<u>None</u> Value is less than \$300 deductible	<u>\$75</u> Full replacement value
Cost of Option	No Cost	\$102 - \$170	\$220 - \$365	\$310 - \$515

UTC's website

www.wutc.wa.gov/consumer